

# ***NEWS from the T&I DEMOCRATS***

***Committee on Transportation and Infrastructure, Democratic Caucus***

***U.S. House of Representatives, 2163 Rayburn HOB, Washington, DC 20515***

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## **Bush to Retract Davis-Bacon Waiver** ***Oberstar among objectors to executive order in wake of Katrina***

WASHINGTON—The White House announced today that it will rescind an executive order issued in the aftermath of Hurricane Katrina that waives prevailing wage rules in the areas affected by the hurricane.

The order suspended wage protections under the Davis-Bacon Act, which requires contractors to pay the local prevailing wage on work done under federal contracts.

“I am pleased that the White House is taking this action, but dismayed that the order will still be in effect for two more weeks,” said Rep. James L. Oberstar. (Minn.), Ranking Democrat on the House Transportation and Infrastructure Committee.

On September 16, 2005, Oberstar wrote a letter to President Bush objecting to the executive order. The letter read, in part:

“Your stated reason for this order was to encourage contractors to hire more workers by allowing them to pay wages lower than those required by Davis-Bacon. While I agree with the goal of hiring more workers, especially those who lost homes and jobs to the hurricane, I disagree strongly with this proposition that we can create more jobs by paying workers less than the local prevailing wage—already lower than prevailing wages in other parts of the country.

“I believe that this approach to job creation is both unnecessary and unfair. It is unnecessary because I believe that the public will support a policy of hiring all the workers that are needed to clean up and rebuild the devastated areas. I further believe that the public will be willing to support the funding needed to pay these workers, many of whom will have suffered unbearable losses from Katrina, a fair wage.”

“It is obvious that the united front presented by Congressional Democrats in vehement opposition to this order, as well as strong opposition from a small number of conscientious Members of the Other Party persuaded the President to do the right thing,” Oberstar said.

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